

The Regular Meeting of the Board of Directors of the Trabuco Canyon Water District (TCWD) was called to order by President Matt Disston at 7:00 p.m. at Trabuco Canyon Water District's office located at 32003 Dove Canyon Drive, Trabuco Canyon, CA. Sharon E. Smith, Secretary/Treasurer, recorded and transcribed the minutes thereof.

Matt Disston, President  
Mike Safranski, Vice President  
Jim Haselton  
Glenn Acosta (arrived during Directors' Comments)  
Ed Mandich

Don Chadd, General Manager  
Hector Ruiz, District Engineer  
Sharon E. Smith, Secretary/Treasurer  
Teresa Teichman, Assistant to the General Manager  
Michael Perea, Special Projects Manager

Mr. Jeff Thomas, Division 6 Director, Municipal Water District of Orange County

Mr. Michael Perea led the Board, staff, and public in the pledge of allegiance.

There were no public comments.

There were no comments.

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1 President Disston requested Directors' Comments.

2 Director Acosta and Municipal Water District of Orange County Division 6  
3 Director Jeff Thomas arrived.

4 President Disston suspended Director Comments and reopened Oral  
5 Communication to allow Mr. Thomas an opportunity to address the Board.

6 The Board extended a welcome to Mr. Thomas.

7 **ORAL COMMUNICATION (RESUMED)**

8 Mr. Jeff Thomas introduced himself to the Board and provided a status of  
9 the governance study relating to the Municipal Water District of Orange County  
10 (MWDOC), water rates and MWDOC's participation in the Baker Regional Water  
11 Treatment Plant Facility.

12 **DIRECTOR'S COMMENTS (RESUMED)**

13 President Disston thanked Mr. Thomas for attending the meeting and  
14 provided information concerning recent South Orange County Wastewater  
15 Authority activities.

16 **REPORT FROM THE GENERAL MANAGER**

17 Mr. Don Chadd, General Manager, noted that two Board members would  
18 attend the Southern California Water Committee's Silver Jubilee.  
19 Additionally, the MWDOC Water Policy Forum & Dinner will be held on November  
20 5, 2009 as will the South Orange County Regional Chambers of Commerce  
21 Legislative Meet and Greet. Directors will advise if they wish to attend.

22 Mr. Chadd noted that a bidder other than the District was selected to  
23 provide wastewater facilities services for the County of Orange's Joplin and  
24 Los Pinos wastewater facilities effective November 1, 2009.

25 **ITEMS TOO LATE TO BE AGENDIZED**

26 No items were presented for consideration.

27 **CONSENT CALENDAR**

28 President Disston announced that all matters under the Consent  
Calendar would be approved by one motion unless a Board Member requests a

1 separate action on a specific item.

2 MOTION: A motion was made by Director Acosta and seconded by Vice  
3 President Safranski to approve the Consent Calendar, Item  
4 Nos. 1A through 1H, as presented. The motion carried 5-0.

### 5 ACTION CALENDAR

6 President Disston stated that the General Manager and staff had  
7 reviewed all matters under the Action Calendar prior to the Board's  
8 consideration.

### 9 ADMINISTRATIVE MATTERS

#### 10 ITEM NO. 1I. STATUS UPDATE RELATING TO CALIFORNIA DROUGHT AND WATER 11 CONSERVATION EFFORTS

12 Mr. Chadd provided information. The District is continuing to work with  
13 developments to expand their reclaimed water systems. Work is continuing on  
14 the Shadow Rock Detention Basin project, and the Dove Canyon Master  
15 Association converted another slope from domestic to reclaimed water. The  
16 October ON-TAP carried an offer for customers to obtain shower timers from the  
17 District. The water revenue was higher in September with the adjusted rate  
18 structure.

19 Mr. Chadd also noted that staff is continuing to work with the Dove  
20 Canyon Master Association to solve a problem relating to the time of day that  
21 reclaimed water is being used by the association. He explained that, without  
22 the District's knowledge, Smart Timers were installed on the reclaimed system.  
23 Reclaimed water cannot be sprayed after dawn and before dusk; however, because  
24 of the Smart Timer installations and the type of satellite control the  
25 association uses, reclaimed water is being sprayed during unauthorized hours.  
26 Water conservation is diminished due to this situation. He also noted that  
27 Mr. Joe Berg of MWDOC stated that the Smart Timer is not an effective drought  
28 tool.

Mr. Chadd also provided a status report on the water conservation  
ordinance for both the District and the City of Rancho Santa Margarita.

#### ITEM NO. 1J. SPECIAL BOARD WORKSHOP

Following discussion, it was determined that a Special Board Workshop  
will be held on November 7, 2009 at 8:00 a.m. to discuss projects relating to

1 the Baker Regional Water Treatment Plant to review investments relating to  
2 Community Facilities Districts Nos. 2, 5, 7 and 8.

3 **ITEM NO. 1K. CONSIDERATION AND POSSIBLE ACTION RELATING TO CONFLICT OF**  
4 **INTEREST CODE**

5 Ms. Sharon E. Smith, Secretary/Treasurer, reviewed this matter, stating  
6 that the Board of Supervisors has requested that all agencies adopt the latest  
7 State Model Conflict of Interest Code which allows Directors to file Form 700s  
8 electronically. She recommended that the resolution be adopted.

9 **RESOLUTION:** A motion was made by Director Acosta and seconded by  
10 Director Haselton to adopt Resolution No. 2009-1118 which is  
11 entitled, "Resolution of the Board of Directors of Trabuco  
12 Canyon Water District Adopting a Conflict of Interest Code  
13 which Supersedes all Prior Conflict of Interest Codes and  
14 Amendments Previously Adopted." The motion carried as  
15 follows:

16 Ayes: Disston, Safranski, Haselton, Acosta, Mandich  
17 Noes: None  
18 Abstain: None  
19 Absent: None

20 **ITEM NO. 1L. DESIGNATION OF VOTING REPRESENTATIVES FOR INDEPENDENT**  
21 **SPECIAL DISTRICTS OF ORANGE COUNTY SPECIAL ELECTION**  
22 **REGARDING INCREASE IN MEMBERSHIP DUES**

23 Mr. Chadd noted that Vice President Safranski is currently the Board  
24 appointed ISDOC representative; Director Haselton is the alternate  
25 representative. He recommended that those Directors be designated to vote at  
26 the special election. Discussion took place regarding the questionable  
27 benefits that ISDOC receives from the Orange County Council of Governments.

28 **MOTION:** A motion was made by Director Acosta and seconded by  
Director Mandich to designate Vice President Safranski as  
the voting representative and Director Haselton as the  
alternate voting representative at the October 29, 2009  
special election of the Independent Special Districts of  
Orange County. The representatives may vote as they so  
choose. The motion carried 5-0.

**ITEM NO. 1M. PURCHASE OF COMPUTER HARDWARE AND SOFTWARE**

Mr. Michael Perea, Special Projects Manager, reviewed this matter with  
the Board, stating that the financial hardware and software purchased through  
ACS Enterprise Solutions, Inc. (ACS) was last upgraded in 2005. The existing  
system does not utilize the purchase and service orders software programs.  
Additionally, the existing system cannot accommodate coding on the utility  
billings which will result in expending \$0.21 instead of \$0.42 per mailing.

1 Mr. Perea discussed the ACS System Upgrade Costs Analysis which  
2 indicates an on-going total potential annual savings of \$11,700.00. The cost  
3 of the hardware and software upgrade totals \$32,640.00 and has a life  
4 expectancy of five (5) years. The application upgrades will increase

5 The Board and staff discussed the matter prior to Mr. Perea  
6 recommending the approval.

7 MOTION: A motion was made by Vice President Safranski and seconded  
8 by Director Haselton to ratify the purchase of computer  
hardware and software from ACS Enterprise Solutions, Inc. at  
a cost of approximately \$32,641.00. The motion carried 5-0.

#### 9 **ENGINEERING MATTERS**

##### 10 **ITEM NO. 1N. STATUS UPDATE RELATING TO BAKER REGIONAL WATER TREATMENT FACILITY**

11 Mr. Hector Ruiz, District Engineer, provided a status report and project  
12 schedule, stating that the project committee met to discuss the preliminary  
13 design. He stated that the cost estimate is pending.

14 Mr. Ruiz noted that the project is still on schedule with a plant on-  
15 line date of December 2011. He also pointed out the project "go-no go" dates  
16 and the financial commitment the District must make to continue to  
17 participate. He stated that the project looks very favorable because of the  
18 increases in the treated water cost from the Metropolitan Water District of  
Southern California.

19 Mr. Ruiz discussed other updates relating to the project and answered  
20 questions from the Board.

21 The Board received and filed the status update.

##### 22 **ITEM NO. 10. STATUS UPDATE AND POSSIBLE ACTIONS RELATING TO ROSE CANYON AND LANG WELLS UPGRADES TO TREATMENT FACILITIES**

23 Mr. Ruiz stated that the bid advertisement occurred and two mandatory  
24 pre-bid dates are scheduled. It is anticipated that the award of the project  
will occur in November 2009.

25 The Board received and filed the status update.

#### 26 **LEGISLATIVE MATTERS**

##### 27 **ITEM NO. 1P. REVIEW OF LEGISLATIVE INFORMATIONAL ITEMS**

1 Mr. Chadd provided information relating to the MWDOC Governance Study  
2 and commended Mr. Thomas for his efforts in this regard. He noted that the  
3 White Report initiated by the six south Orange County agencies has been  
4 finalized. It is anticipated that if accord is not reached by mid-November, a  
5 cost of services study may be initiated. Conversation occurred concerning the  
6 impact to the cities and north county agencies if the south county agencies  
7 break away from MWDOC.

8 Mr. Thomas noted that he is optimistic that the issues can be resolved,  
9 stating that wide reception exists to forming an area council as well as  
10 conducting a semi-annual budget review. Mr. Thomas also indicated positive  
11 movement exists on representation from south Orange County agencies on the  
12 Metropolitan Water District board.

13 The Board received and filed the status update.

14 - END ACTION CALENDAR -

15 **ITEMS TOO LATE TO BE AGENDIZED**

16 No items were brought forward for consideration.

17 **OTHER MATTERS**

18 No other matters were discussed.

19 **ADDITIONAL DIRECTORS' COMMENTS**

20 There were no further comments.

21 **ADDITIONAL GENERAL MANAGER COMMENTS**

22 **Robinson Ranch Road Reclaimed Water System (4RW)**

23 Mr. Chadd stated that a leak occurred in a cluster of valves on the 4RW  
24 system. Because traffic control is so difficult, the District contracted with  
25 Doty Brothers for repairs at a cost of approximately \$3,000.00.

26 **Investments**

27 Mr. Chadd noted that a higher interest rate can be obtained by investing  
28 with Morgan Stanley Smith Barney instead of the Bank of New York. Funds will  
be transferred in order to do so.

**Securitization Program**

Mr. Chadd discussed the Securitization Program as it relates to the loss  
of property taxes for fiscal year 2009/2010. He explained the program and  
stated that staff is analyzing the benefit to the District.

**ADJOURNMENT**

At 8:33 p.m. President Disston adjourned the October 21, 2009 Regular Board Meeting.

Respectfully Submitted,

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Sharon E. Smith  
Secretary/Treasurer